

1 SUTHERLAND ASBILL & BRENNAN LLP
JOHN L. NORTH (Admitted Pro Hac Vice)
2 JEFFREY J. TONEY (Admitted Pro Hac Vice)
WILLIAM F. LONG (Admitted Pro Hac Vice)
3 JACKIE L. TONEY (Admitted Pro Hac Vice)
LESLIE K. SLAVICH (Admitted Pro Hac Vice)
4 999 Peachtree Street, NE
Atlanta, Georgia 30309-3996
5 Telephone: (404) 853-8000
Facsimile: (404) 853-8806
6 Email: John.North@sablaw.com
Jeffrey.Toney@sablaw.com
7 Bill.Long@sablaw.com
Jackie.Toney@sablaw.com
8 Leslie.Thomasson@sablaw.com

PUBLIC VERSION

9 GOODWIN PROCTER LLP
10 FORREST A. HAINLINE III (Bar No. 64166)
SUSANNE N. GERAGHTY (Bar No. 218098)
11 Three Embarcadero Center, 24th Floor
San Francisco, CA 94111
12 Telephone: (415) 733-6000
Facsimile: (415) 677-9041
13 Email: fhainline@goodwinprocter.com
sgeraghty@goodwinprocter.com

14 Attorneys for Defendants
15 IVAX, CORPORATION and
IVAX PHARMACEUTICALS, INC.
16

17 UNITED STATES DISTRICT COURT
18 NORTHERN DISTRICT OF CALIFORNIA

19 DEPOMED, INC., a California corporation,

20 Plaintiff,

21 v.

22 IVAX CORPORATION, a Florida corporation, and
23 IVAX PHARMACEUTICALS, INC., a Florida
corporation,

24 Defendants.
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NO. C 06-00100 CRB

**DEFENDANTS' ALTERNATIVE
MOTION TO REOPEN DISCOVERY
AND POSTPONE THE TRIAL, OR
PRECLUDE EVIDENCE OF
DAMAGES BEFORE DECEMBER 15,
2005**

Judge: Hon. Charles R. Breyer
Date: February 29, 2008
Time: 10:00 a.m.
Place: Courtroom 8, 19th Floor

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1 This memorandum supports Ivax's motion alternatively to (a) preclude Depomed from
2 introducing evidence of damages before December 15, 2005 and strike Depomed's amended
3 discovery responses, or (b) reopen discovery and necessarily postpone the trial.¹

4 **I. BACKGROUND AND SUMMARY**

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25 ¹ "Ivax" refers collectively to defendants Ivax Corporation and Ivax Pharmaceuticals, Inc. "Depomed" is plaintiff
26 Depomed, Inc.

27 ² The factual statements in this memorandum are supported by the Declaration of Forrest A. Hainline III, filed
28 herewith. The "Tab" references are to exhibits to the Hainline Declaration.

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A. The Patent Marking Statute

The Marking Statute, 35 U.S.C. § 287(a), requires patentees to give proper notice of any patents covering their product(s). This is to ensure that a possible infringer knows of the patent and that its conduct is or would be considered infringement of the patent by the patentee. *See Gart v. Logitech, Inc.*, 254 F.3d 1334, 1345 (Fed. Cir. 2001). The Marking Statute states:

Patentees, and persons making, offering for sale, or selling within the United States any patented article for or under them or importing any patented article into the United States, may give notice to the public that the same is patented, either by fixing thereon the word "patent" or the abbreviation "pat.", together with the number of the patent, or when, from the character of the article, this can not be done, by fixing to it, or to the package wherein one or more of them is contained, a label containing a like notice. In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice. Filing of an action for infringement shall constitute such notice.

1 35 U.S.C. § 287(a) (emphasis added). Thus, the statute provides a patentee with only two ways to
 2 provide proper notice. First, a patentee that sells a product covered by its patent (or has a product
 3 sold by a licensee under its patent) can mark that product or its packaging with the patent number.
 4 This constitutes constructive notice which satisfies § 287(a). Alternatively, the patentee can
 5 comply with § 287(a) by giving actual notice of patent infringement to the alleged infringer.

6 A patentee's failure to properly mark the patented product precludes the recovery of
 7 damages arising from any infringement prior to the time when the patentee gives actual notice of
 8 infringement to the accused infringer. *See* 35 U.S.C. § 287(a); *Amsted Indus. v. Buckeye Steel*
 9 *Casings Co.*, 24 F.3d 178, 187 (Fed. Cir. 1994). "For purposes of section 287(a), notice must be
 10 of 'the infringement,' not merely notice of the patent's existence or ownership. Actual notice
 11 requires the affirmative communication of a specific charge of infringement by a specific accused
 12 product or device." *Id.* "It is irrelevant . . . whether the defendant knew of the patent or knew of
 13 his own infringement. The correct approach to determining notice under section 287 must focus
 14 on the action of the patentee, not the knowledge or understanding of the infringer." *Id.*

15 Although actual notice may be achieved without creating a case of actual controversy
 16 under 28 U.S.C. § 2201, *SRI Int'l, Inc. v. Advanced Tech. Labs., Inc.*, 127 F.3d 1462, 1470 (Fed.
 17 Cir. 1997), when letters are calculated "not to be threats sufficient to justify a declaratory
 18 judgment action, they also are not charges of infringement for 'notice' purposes." *Amsted Indus.*,
 19 24 F.3d at 187.

20 Whether, as a matter of law, oral notice can satisfy the Marking Statute has not been
 21 decided by the Federal Circuit. The Southern District of California recently commented that it is
 22 an open question. *See Lucent Techs. Inc. v. Gateway, Inc.*, 470 F. Supp. 2d 1180, 1185 n.3 (S.D.
 23 Cal. 2007) ("As for whether as a matter of law oral notice is sufficient to satisfy 35 U.S.C. §
 24 287(a), remains an unanswered question.").

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1 Dated: February 25, 2008

Respectfully submitted,

2 SUTHERLAND ASBILL & BRENNAN LLP
3 JOHN L. NORTH (Admitted Pro Hac Vice)
4 JEFFREY J. TONEY (Admitted Pro Hac Vice)
5 WILLIAM F. LONG (Admitted Pro Hac Vice)
6 JACKIE L. TONEY (Admitted Pro Hac Vice)
7 LESLIE K. SLAVICH (Admitted Pro Hac
8 Vice)
9 999 Peachtree Street, NE
10 Atlanta, Georgia 30309-3996
11 Telephone: (404) 853-8000
12 Facsimile: (404) 853-8806
13 Email: John.North@sablaw.com
14 Jeffrey.Toney@sablaw.com
15 Bill.Long@sablaw.com
16 Jackie.Toney@sablaw.com
17 Leslie.Thomasson@sablaw.com

11 GOODWIN PROCTER LLP
12 FORREST A. HAINLINE III (Bar No. 64166)
13 SUSANNE N. GERAGHTY (Bar No. 218098)
14 Three Embarcadero Center, 24th Floor
15 San Francisco, CA 94111
16 Telephone: (415) 733-6000
17 Facsimile: (415) 677-9041
18 Email: fhainline@goodwinprocter.com

15 Attorneys for Defendants
16 IVAX, CORPORATION and
17 IVAX PHARMACEUTICALS, INC.

18 By: /s/ Forrest A. Hainline